

OPINION

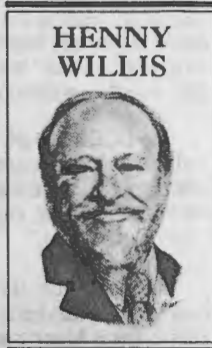
Atiyeh plodded through tough era

VIC ATIYEH LEFT THE governorship of Oregon only seven years ago, but, in many respects, it seems a lifetime since his administration ended.

Atiyeh comes to mind now for two reasons. A fine profile of the former Republican governor appears in the summer issue of Oregon Quarterly (formerly Old Oregon) by The Register-Guard's Brent Walth. And, as Walth notes, there's a strong parallel between the budget crises Atiyeh led the state through in the early 1980s and those facing the state today.

A successful Portland area carpet merchant, Atiyeh served eight years as governor (1979-87) and 20 years in the Legislature before that, and he once beat the legendary Tom McCall in a Republican primary. The latter was in May 1978, when McCall, who served as governor from 1967-75, was attempting a comeback. The upset left McCall stunned and positioned Atiyeh for a bright political future.

During his political career, much of which I covered as The Register-Guard's political reporter, Atiyeh was a quiet man of great dignity. He had a keen appreciation of the proper balance between too much government and not enough. He was not a visionary like McCall, nor did he have McCall's great oratorical gifts. And he lacked former Gov. (now U.S. Sen.) Mark Hatfield's smoothness and graceful style. Yet Atiyeh had other political skills, skills that would prove essential during his time at the state's helm.



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Fate dealt Atiyeh a cruel hand as governor. A year after his inauguration in 1979, the timber industry took a nosedive and a national recession further crippled Oregon's economy. At the same time, fate provided Oregon's ship of state with the ideal skipper to steer it through the fiscal shoals. Atiyeh's greatest strength was as a manager, a governmental technician whose budget-balancing skills blended with his moderate-to-conservative politics to produce a level-headed view of the state's financial problems and how best to plod through them.

And as Walth's profile points out, plodding — not sprinting — was what was called for. Of the eight emergency budget-balancing legislative sessions called by Oregon governors through the years, Atiyeh called four — three in one year (1982).

An indication of how bad things got: Atiyeh summoned a special session of the Legislature in January 1982 to resolve a \$242 million budgetary shortfall. Just as the governor and the lawmakers were about to agree on a budget-balancing strategy, they were rocked with additional bad news. A new revenue forecast pegged the deficit not at \$242 million but at \$337 million. Thus, the deficit grew by 40 percent right before their eyes.

They took care of it — and then were hit with an additional \$100 million deficit in September. They solved that little problem in a session that took 14 hours and 20 minutes. Could today's governor and Legislature even agree on a lunch break in 14 hours and 20 minutes? Not likely.

Even though Atiyeh was a hidebound Republican and both houses of the Legislature in 1982 were controlled by the Democrats, the governor and the lawmakers established a far more cooperative working relationship than exists between the executive and legislative branches today. They used a combination of budget cuts and temporary tax in-

creases to ride out the storm. It was painful but deft, politically dangerous but necessary.

It's unfair to compare one era's problems with another's, just as it's unfair to compare one era's governor with another's. But there are striking similarities between the fiscal burdens that the state faced in Atiyeh's day and those crunching it now. Here's Walth's description of how Atiyeh handled it:

"Quietly, diligently, without whining or badgering or a single 'I-told-you-so,' Atiyeh demonstrated how to manage a state through a crisis . . . The budget shortfalls were in the same proportion as those thus far caused by today's Measure 5 tax limit. But in many ways, Atiyeh had an even tougher job than today's leaders. The passage of Measure 5 led to a series of predictable property-tax cuts, giving state administrators five sober years to prepare for the worst. Atiyeh had no such luxury. It wasn't just the budget that was busted during his tenure, it was the entire economy. He never knew how far the state's fortunes would fall, or when, finally, the recession would bump bottom.

"Atiyeh's response was not particularly innovative, but he did have a few more options than today's leaders. He served in an era when raising taxes did not start a revolution, and he and the Legislature did raise taxes . . . But most of all, he balanced, pinched and managed. His predecessors in the governor's office had the money to experiment with grand ideas. Atiyeh sweated over balance sheets."

Walth has captured the essence of Atiyeh's handling of the budget problems of his day. Walth watched the 1993 session unfold; I watched the multitude of special sessions in 1982. Neither was pretty, but from a reportorial point of view, mine was light-years easier.

Atiyeh and the Legislature eyed each other warily in 1982, but succeeded in putting the state's interest above partisan political concerns. And that was the year Atiyeh was seeking his second term, with the probable (and ultimate) Democratic nominee — then-State Sen. (now Attorney General) Ted Kulongoski — being an important player in the Legislature.

Atiyeh's thoughts on Oregon politics today are also insightful. Again, from Walth's profile: "There's a lot of divisiveness that doesn't really need to exist. There's restlessness out there, and it's converting into cynicism about politics and politicians. Everybody gets swept into that bin . . . I'm restless, too, and I'm cynical. I don't want to be cynical. I apologize for it . . . Measure 5 was something voters did out of desperation. Oregonians aren't greedy. They are generous people. They just got to the point where property taxes were too high. Oregonians don't really appreciate the [state] government they have. It may not be as efficient as it could be, but compared to the federal government, it is . . . People aren't quite as comfortable as they used to be. It's a human trait that if there's something wrong, there has to be someone else at fault, not them. That's the thing we're going through right now."

Perhaps the most telling quote in the profile is Atiyeh's assessment of how he governed: "I was just interested in getting something done. I didn't blow the whistle and say, 'Look at me.' We just went on to the next problem."

That's as good a summation of Vic Atiyeh's political personality and governorship as I've ever heard. No whistle blowing, just problems to be dealt with. And deal with them he did.

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